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*Salvador Diaz, individually and
on behalf of all others similarly situated*

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

SALVADOR DIAZ, individually and on behalf of
all others similarly situated,

Plaintiff,

v.

ASSET RECOVERY SOLUTIONS, LLC,

Defendant.

Case No: 2:23-cv-02564

CLASS ACTION COMPLAINT

JURY TRIAL DEMANDED

Plaintiff Salvador Diaz, individually and on behalf of all others similarly situated, by
and through the undersigned counsel, complains, states, and alleges against Defendant
Asset Recovery Solutions, LLC as follows:

INTRODUCTION

1. This is an action to recover damages for violations of the Fair Debt Collection
Practices Act, 15 U.S.C. § 1692, *et seq.* (the “FDCPA”), the Rosenthal Fair Debt Collection
Practices Act, Cal. Civ. Code § 1788, *et seq.* (the “RFDCPA”).

JURISDICTION AND VENUE

1 2. This Court has federal subject matter jurisdiction pursuant to 28 U.S.C. §
2 1331, 28 U.S.C. § 1337 and 15 U.S.C. § 1692k(d). The Court has supplemental jurisdiction
3 of any state law claims pursuant to 28 U.S.C. §1367.
4

5 3. This court has jurisdiction over Defendant Asset Recovery Solutions, LLC
6 because it regularly conducts and transacts business in this state, and the conduct
7 complained of herein occurred in this Judicial District.
8

9 4. Venue is proper in this Judicial District under 28 U.S.C. § 1391(b) because a
10 substantial part of the conduct complained of herein occurred in this Judicial District.
11

12 **PARTIES**

13 5. Plaintiff Salvador Diaz (“Plaintiff”) is a natural person who, at all times
14 relevant hereto, was a residing in Pomona, Los Angeles County, State of California.

15 6. Plaintiff is a “consumer” as that term defined by 15 U.S.C. § 1692a(3).

16 7. Plaintiff is a “person” as that term is defined by Cal. Civ. Code § 1788.2.(g).

17 8. Defendant Asset Recovery Solutions, LLC (“Defendant”) is a company
18 existing under the laws of the State of Illinois, with its principal place of business in Des
19 Plaines, Illinois.
20

21 9. Defendant has transacted business within this state as is more fully set forth
22 hereinafter in this Complaint.

23 10. Defendant regularly collects or attempts to collect debts asserted to be owed
24 to others.
25

26 11. Defendant is regularly engaged, for profit, in the collection of debts allegedly
27 owed by consumers.
28

1 12. The principal purpose of Defendant's businesses is the collection of such
2 debts.

3 13. Defendant uses instrumentalities of interstate commerce, including
4 telephones and the mails, in furtherance of its debt collection business.

5 14. Defendant is a "debt collector" as that term is defined by 15 U.S.C. §
6 1692a(6).

7 15. Defendant is a "debt collector" as that term is defined by Cal. Civ. Code §
8 1788.2(c).

9 16. The acts of Defendant as described in this Complaint were performed by
10 Defendant or on Defendant's behalf by its owners, officers, agents, and/or employees acting
11 within the scope of its actual or apparent authority. As such, all references to "Defendant"
12 in this Complaint shall mean Defendant or its owners, officers, agents, and/or employees.

13
14
15
16 **FACTUAL ALLEGATIONS**

17 17. Defendant alleges Plaintiff owes a debt to Webcollex, LLC.

18 18. The alleged Debt is an alleged obligation of Plaintiff to pay money arising out
19 of a transaction in which the money, property, insurance, or services which are the subject
20 of the transaction are primarily for personal, family, or household purposes.

21 19. At the time the alleged debt was placed, transferred, and/or assigned to
22 Defendant the alleged debt was in default.

23 20. In an attempt to collect the alleged debt, Defendant sent Plaintiff an undated
24 collection letter.

1 21. The letter alleged that Plaintiff no longer owed money to Oportun, Inc, but
2 now owed \$6,481.89 to Webcollex, LLC.

3 22. However, Plaintiff was never indebted to Webcollex, LLC, and was never
4 indebted to Webcollex, LLC for \$6,481.89.

5 23. Further, Oportun, Inc. does not originate loans, but rather such loans are
6 originated by WebBank, N.A.

7 24. Debt scavengers purchase large CSV files or Excel spreadsheets of purported
8 “accounts” from credit card companies or other debt scavengers for pennies on the dollar.
9 These files are usually without account-level documentation establishing that the amount
10 sought is correct, and without sufficient proof of the debt scavenger’s legal right, title and/or
11 interest in the money sought. By paying so little for the debt, debt scavengers stand to make
12 tremendous amounts of money when unsuspecting or easily confused consumers pay even
13 a small portion of the money sought.

14 25. According to data provided by the Consumer Financial Protection Bureau (the
15 “CFPB”), consumer complaints about debt scavenger and collectors attempting to collect
16 money not actually owed by the consumer are by far the most common of all complaints
17 received by the Bureau every year.

18 26. Upon information and belief, Webcollex, LLC is a debt scavenger.

19 27. Upon information and belief, Webcollex, LLC purchases large CSV files or
20 Excel spreadsheets of purported “accounts” and merely uploads said data into its account
21 management system without reviewing any of the information regarding any individual
22 account or balance allegedly owed.

1 28. Upon information and belief, after uploading these data, Webcollex, LLC
2 begins to attempt to collect the accounts without performing any inquiry into the account
3 or balance allegedly owed.
4

5 29. Upon information and belief, Webcollex, LLC purchased a CSV file or Excel
6 spreadsheet that included Plaintiff's name, but failed to include account-level
7 documentation, such as a credit agreement signed by Plaintiff or any other competent proof
8 that Plaintiff owed the amount sought to establish Webcollex, LLC's legal right, title and/or
9 interest in \$6,481.89 allegedly owed by Plaintiff.
10

11 30. Indeed, Plaintiff was never indebted to Webcollex, LLC for \$6,481.89 and
12 Webcollex, LLC never extended credit to Plaintiff for \$6,481.89.
13

14 31. Plaintiff was never involved in any transaction with Webcollex, LLC for
15 \$6,481.89 and never entered into any contract with Webcollex, LLC for the payment of
16 \$6,481.89.
17

18 32. Upon information and belief, ARS does not possess competent proof that
19 Plaintiff owes \$6,481.89 to Webcollex, LLC.
20

21 33. Upon information and belief, ARS does not possess any credit agreement
22 between Plaintiff and Webcollex, LLC for \$6,481.89.
23

24 34. Upon information and belief, ARS does not possess competent proof that
25 Plaintiff agreed to pay \$6,481.89 to Webcollex, LLC.
26

27 35. Upon information and belief, ARS does not possess any competent proof that
28 Plaintiff is obligated to pay \$6,481.89 to Webcollex, LLC.

1 36. Upon information and belief, ARS does not possess any competent proof that
2 \$6,481.89 was ever owed by Plaintiff to Webcollex, LLC.

3 37. Upon information and belief, ARS does not possess any competent proof that
4 Plaintiff owed \$6,481.89 at the time Webcollex, LLC purchased the portfolio of debt.
5

6 38. ARS holds no legal right, title or interest in \$6,481.89 owed by Plaintiff.

7 39. In its efforts to collect the alleged Debt, Defendant decided to contact Plaintiff
8 by written correspondence.
9

10 40. Rather than preparing and mailing such written correspondence to Plaintiff
11 on its own, Defendant decided to utilize a third-party vendor to perform such activities on
12 its behalf.

13 41. As part of its utilization of the third-party vendor, Defendant conveyed
14 information regarding the alleged Debt to the third-party vendor by electronic means.
15

16 42. The information conveyed by Defendant to the third-party vendor included
17 Plaintiff's status as a debtor, the precise amount of the alleged Debt, the account number,
18 the entity to which Plaintiff allegedly owed the debt, among other things.
19

20 43. In fact, Defendant conveyed it was a debt collector and attempting to collect
21 a debt from Plaintiff.

22 44. Defendant's conveyance of the information regarding the alleged Debt to the
23 third-party vendor is a "communication" as that term is defined by 15 U.S.C. § 1692a(2).
24

25 45. The third-party vendor then populated some or all this information into a
26 prewritten template, printed, and mailed the correspondence to Plaintiff at Defendant's
27 direction.
28

1 46. That undated letter was received and read by Plaintiff in late April 2022.

2 47. The undated letter was the initial written communication Plaintiff received
3 from Defendant.

4 48. The letter, which conveyed information about the alleged debt, is a
5 “communication” as that term is defined by 15 U.S.C. § 1692a(2).
6

7 49. The FDCPA prohibits the sharing of information regarding a consumer
8 “without the prior consent of the consumer given directly to the debt collector, or the
9 express permission of a court of competent jurisdiction, or as reasonably necessary to
10 effectuate a post judgment judicial remedy...” See 15 U.S.C. § 1692c(b).
11

12 50. In the relevant part, Section 1692c(b) states, “a debt collector may not
13 communicate, in connection with the collection of any debt, with any person other than the
14 consumer, his attorney, a consumer reporting agency if otherwise permitted by law, the
15 creditor, the attorney of the creditor, or the attorney of the debt collector.” See 15 U.S.C.
16 § 1692c(b).
17

18 51. The sharing, transferring, or communicating of Plaintiff’s information is
19 prohibited by law.
20

21 52. Plaintiff did not provide prior consent to the sharing of his information with
22 third parties.

23 53. Plaintiff did not provide his prior consent to the sharing of his information
24 with the third party letter vendor Defendant utilized.
25

26 54. Defendant’s intentional or negligent conduct of sharing, transferring, or
27 communicating of Plaintiff’s personal and sensitive information without Plaintiff’s prior
28

1 consent, caused an invasion into Plaintiff's individual privacy, which caused Plaintiff
2 concern, embarrassment, anxiety, worry, sleeplessness, and emotional distress, causing
3 Plaintiff to spend time to retain counsel, causing him loss of time.
4

5 55. The letter, in the relevant part, stated, "As of 10/31/2019 you owed," then
6 provided an amount of \$6,481.89.

7 56. Then, the letter stated, "Between 10/31/2019 and today," then listed the
8 amount of interest, fees, payments, and credits.
9

10 57. Plaintiff was misled as to the status of the subject debt, for the letter was not
11 associated with a particular date.

12 58. In light of the fact that the letter was undated, Plaintiff was confused what
13 date is "today."
14

15 59. It is standard and common practice to date letters, especially those involving
16 official or financial matters.

17 60. Any letter that lacks a date appears to be illegitimate.

18 61. Consumers cannot make a decision to pay an alleged debt, without trusting
19 the debt collector, such as Defendant.
20

21 62. Failing to date the letter makes Defendant's letter appear incorrect,
22 inaccurate, misleading, confusing, and/or deceptive, triggering the consumer to question the
23 legitimacy of debt collector's attempts to collect the alleged debt.
24

25 63. Failure of Defendant to date the letter, but still attempt to collect the alleged
26 debt, is inconsistent and out of character for legitimate debt collection practices, making a
27 consumer believe there is something nefarious at play.
28

1 64. Defendant's failure to date the letter, which amounts to an intentional or
2 negligent omissions, raises suspicion regarding its debt collection practice in general.

3 65. Under § 1692g(a) of the FDCPA, within five days of an initial communication
4 with a consumer, a debt collector must provide a written notice, known as a "Validation
5 Notice," that contains relevant information about the alleged debt and how to dispute it.

6 66. Pursuant to the FDCPA § 1692g(a), the debt collector must:

7 Within five days after the initial communication with a consumer in
8 connection with the collection of any debt, a debt collector shall, unless
9 the following information is contained in the initial communication or
10 the consumer has paid the debt, send the consumer a written notice
11 containing—

12 (1) the amount of the debt;

13 (2) the name of the creditor to whom the debt is owed;

14 (3) a statement that unless the consumer, within thirty days after
15 receipt of the notice, disputes the validity of the debt, or any portion
16 thereof, the debt will be assumed to be valid by the debt collector;

17 (4) a statement that if the consumer notifies the debt collector in
18 writing within the thirty-day period that the debt, or any portion
19 thereof, is disputed, the debt collector will obtain verification of the
20 debt or a copy of a judgment against the consumer and a copy of
21 such verification or judgment will be mailed to the consumer by
22 the debt collector; and

23 (5) a statement that, upon the consumer's written request within the
24 thirty-day period, the debt collector will provide the consumer with
25 the name and address of the original creditor, if different from the
26 current creditor.

27 67. Pursuant to Regulation F of 12 CFR § 1006.34(b)(5) "Validation period
28 means the period starting on the date that a debt collector provides the validation
information required by paragraph (c) of this section and ending 30 days after the consumer
receives or is assumed to receive the validation information. For purposes of determining
the end of the validation period, the debt collector may assume that a consumer receives the

1 validation information on any date that is at least five days (excluding legal public holidays
2 identified in 5 U.S.C. 6103(a), Saturdays, and Sundays) after the debt collector provides it.

3
4 68. The letter states, in the relevant part, **“Call or write to us by 05/26/2022, to**
5 **dispute all or part of the debt.** If you do not, we will assume that our information is
6 correct.”

7
8 69. The letter provided Plaintiff a deadline of May 26, 2022, to dispute the alleged
9 debt, request validation, and/or request the name and address of the original creditor.

10 70. Upon information and belief, the deadline for Plaintiff to dispute the alleged
11 debt and/or request validation is not May 26, 2022, as the letter is undated.

12 71. Upon information and belief, the deadline for Plaintiff to dispute the alleged
13 debt and/or request validation is a later date as the letter is undated.

14
15 72. Plaintiff became confused as to his dispute and validation rights.

16 73. The letter provides a dispute and validation deadline that is contrary to the
17 Validation Notice of the FDCPA.

18
19 74. Pursuant to the 15 U.S.C. § 1692g(b), in the relevant part, “...Any collection
20 activities and communication during the 30-day period may not overshadow or be
21 inconsistent with the disclosure of the consumer’s right to dispute the debt or request the
22 name and address of the original creditor.”

23
24 75. By providing a validation deadline date of May 26, 2022, Defendant
25 overshadowed Plaintiff’s rights.

26 76. By providing a validation deadline date of May 26, 2022, Defendant does not
27 provide Plaintiff the full thirty days.
28

1 85. Plaintiff never consented to Defendant's communication with the third-party
2 vendor concerning Plaintiff's personal and/or confidential information.

3 86. Plaintiff never consented to Defendant's communication with anyone
4 concerning the alleged Debt or concerning Plaintiff's personal and/or confidential
5 information.

6 87. Upon information and belief, Defendant has utilized a third-party vendor for
7 these purposes thousands of times.

8 88. Defendant utilizes a third-party vendor in this regard for the sole purpose of
9 maximizing its profits.

10 89. Defendant utilizes a third-party vendor without regard to the propriety and
11 privacy of the information which it discloses to such third-party.

12 90. Defendant utilizes a third-party vendor with reckless disregard for the harm
13 to Plaintiff and other consumers that could result from Defendant's unauthorized disclosure
14 of such private and sensitive information.

15 91. Defendant utilizes a third-party vendor with reckless disregard for Plaintiff's
16 right to privacy.

17 92. Defendant utilizes a third-party vendor with reckless disregard for Plaintiff's
18 right against public disclosure of Plaintiff's private facts.

19 93. Defendant violated 15 U.S.C. § 1692c(b) when it disclosed information about
20 Plaintiff's alleged Debt to the third-party vendor.

21 94. 15 U.S.C. § 1692f provides that a debt collector may not use unfair or
22 unconscionable means to collect or attempt to collect any debt.

1 95. The unauthorized disclosure of a consumer's private and sensitive
2 information is both unfair and unconscionable.

3 96. Defendant disclosed Plaintiff's private and sensitive information to the third-
4 party vendor.
5

6 97. Defendant violated 15 U.S.C. § 1692f when it disclosed Plaintiff's private and
7 sensitive information to the third-party vendor.

8 98. As relevant here, Congress enacted the FDCPA upon finding that existing
9 laws and procedures for redressing invasions of individual privacy during the debt
10 collection process were inadequate to protect consumers. 15 U.S.C. § 1692(a)-(b).
11

12 99. Specifically, Congress sought to protect consumers from communications by
13 debt collectors to third parties. *See* S. Rep. No. 95-382, at 4 (1977) *reprinted in*
14 U.S.C.C.A.N. 1695, 1698.
15

16 100. As such, a violation of Section 1692c(b) has a close relationship to an invasion
17 of privacy.

18 101. A violation of Section 1692c(b) is an invasion of privacy.
19

20 102. As described herein, Defendant violated Section 1692c(b).

21 103. As described herein, Defendant invaded Plaintiff's privacy.

22 104. A violation of Section 1692c(b) also has a close relationship to a public
23 disclosure of private facts.
24

25 105. A violation of Section 1692c(b) is a public disclosure of private facts.

26 106. As described herein, Defendant violated Section 1692c(b).

27 107. As described herein, Defendant publicly disclosed Plaintiff's private facts.
28

108. For the foregoing reasons, Defendant violated 15 U.S.C. §§ 1692c(b) and 1692f and is liable to Plaintiff therefor.

SECOND COUNT
Violation of 15 U.S.C. §§ 1692d, 1692e, 1692e(2)(A), and 1692e(10)

109. Plaintiff repeats and realleges the foregoing paragraphs as if fully restated herein.

110. 15 U.S.C. § 1692d provides, generally, that a debt collector may not engage in conduct the natural consequence of which is to harass, abuse, and/or oppress.

111. 15 U.S.C. § 1692e provides, generally, that a debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt.

112. 15 U.S.C. § 1692e(2)(A) prohibits the false representation of the character, amount, or legal status of any debt.

113. 15 U.S.C. § 1692e(10) prohibits the use of any false representation or deceptive means to collect or attempt to collect any debt.

114. An allegation by a debt collector that a consumer owes a debt to a certain entity when the consumer does not owe a debt to that entity is a violation of 15 U.S.C. §§ 1692d, 1692e, 1692e(2)(A) and 1692e(10).

115. An allegation by a debt collector that a consumer owes a certain amount of money when the consumer does not that amount is a violation of 15 U.S.C. §§ 1692d, 1692e, 1692e(2)(A) and 1692e(10).

1 116. As previously stated in this Complaint, Plaintiff did not owe the amount
2 Defendant alleged is owed to Webcollex, LLC by Plaintiff.

3 117. Defendant's contention that Plaintiff owed the alleged debt to Webcollex,
4 LLC, when Plaintiff did not owe the alleged debt to Webcollex, LLC, amounts to conduct
5 the natural consequence of which is to harass, abuse, and/or oppress in connection with the
6 collection of the alleged debt in violation of 15 U.S.C. § 1692d.
7

8 118. Defendant's contention that Plaintiff owed the alleged debt to Webcollex,
9 LLC, when Plaintiff did not owe the alleged debt to Webcollex, LLC, is a false, misleading,
10 and/or deceptive representation, in violation of 15 U.S.C. § 1692e.
11

12 119. Defendant's contention that Plaintiff owed the alleged debt to Webcollex,
13 LLC, when Plaintiff did not owe the alleged debt to Webcollex, LLC, is a false
14 representation of the character, amount, or legal status of the alleged debt, in violation of
15 15 U.S.C. § 1692e(2)(A).
16

17 120. Defendant's contention that Plaintiff owed the alleged debt to Webcollex,
18 LLC, when Plaintiff did not owe the alleged debt to Webcollex, LLC, is a false
19 representation or deceptive means to collect or attempt to collect the alleged debt, in
20 violation of 15 U.S.C. § 1692e(10)
21

22 121. For the foregoing reasons, Defendant violated 15 U.S.C. §§ 1692d, 1692e,
23 1692e(2)(A), and 1692e(10) and is liable to Plaintiff therefor.
24
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THIRD COUNT

Violation of 15 U.S.C. §§ 1692e, 1692e(10), and 1692f

122. Plaintiff repeats and realleges the foregoing paragraphs as if fully restated herein.

123. 15 U.S.C. § 1692e provides, generally, that a debt collector may not use any false, deceptive, or misleading representation or means in connection with the collection of any debt.

124. 15 U.S.C. § 1692e(10) prohibits the use of any false representation or deceptive means to collect or attempt to collect any debt.

125. 15 U.S.C. § 1692f prohibits the use of unfair or unconscionable means to collect or attempt to collect any debt.

126. The letter sent by Defendant to Plaintiff was undated.

127. Plaintiff was misled as to the status of the subject debt, for the letter was not associated with a particular date.

128. In light of the fact that the letter was undated, Plaintiff was confused what date is “today.”

129. It is standard and common practice to date letters, especially those involving official or financial matters.

130. Any letter that lacks a date appears to be illegitimate.

131. Consumers cannot make a decision to pay an alleged debt, without trusting the debt collector, such as Defendant.

1 132. Failing to date the letter makes Defendant's letter appear incorrect,
2 inaccurate, misleading, confusing, and/or deceptive, triggering the consumer to question the
3 legitimacy of debt collector's attempts to collect the alleged debt.
4

5 133. Failure of Defendant to date the letter, but still attempt to collect the alleged
6 debt, is inconsistent and out of character for legitimate debt collection practices, making a
7 consumer believe there is something nefarious at play.
8

9 134. Defendant's failure to date the letter, which amounts to an intentional or
10 negligent omissions, raises suspicion regarding its debt collection practice in general.

11 135. Defendant's pattern and practice of sending undated letters to consumers,
12 violates 15 U.S.C. §§ 1692e, 1692e(2)(A), 1692e(10), and 1692f.
13

14 136. For the foregoing reasons, Defendant violated 15 U.S.C. §§ 1692e,
15 1692e(10), and 1692f and is liable to Plaintiff therefor.

16 **FOURTH COUNT**
17 **Violation of 15 U.S.C. §§ 1692g, 1692g(a)(1), 1692g(a)(2)**

18 137. Plaintiff repeats and realleges the foregoing paragraphs as if fully restated
19 herein.

20 138. 15 U.S.C. § 1692g provides that within five days after the initial
21 communication with a consumer in connection with the collection of any debt, a debt
22 collector shall, unless the information is contained in the initial communication or the
23 consumer has paid the debt, send the consumer a written notice containing certain
24 enumerated information.
25
26
27
28

1 139. As relevant here, 15 U.S.C. § 1692g(a)(1) requires the written notice provide
2 a statement of the amount of the debt.

3 140. To comply with 15 U.S.C. § 1692g(a)(1), the statement of the amount of the
4 debt must accurately set forth the actual amount of the debt.
5

6 141. A statement of the amount of the debt, when the debt is not owed at all by the
7 consumer, violates 15 U.S.C. § 1692g(a)(1).
8

9 142. As previously stated, Plaintiff did not owe the amount Defendant alleges is
10 owed to Webcollex, LLC by Plaintiff.

11 143. As such, Defendant did not accurately set forth the actual amount of the
12 alleged debt as required by 15 U.S.C. § 1692g(a)(1).
13

14 144. Defendant's statement of the amount of the alleged debt, when Plaintiff did
15 not owe that amount, violates 15 U.S.C. § 1692g(a)(1).

16 145. As also relevant here, 15 U.S.C. § 1692g(a)(2) requires the written notice
17 provide a statement of the name of the creditor to whom the debt is owed.
18

19 146. To comply with 15 U.S.C. § 1692g(a)(2), the statement of the name of the
20 creditor to whom the debt is owed must accurately set forth the name of the entity that
21 actually owns the debt.

22 147. A statement of the name of the creditor to whom the debt is owed, when the
23 consumer does not owe money to the stated entity, violates 15 U.S.C. § 1692g(a)(2).
24

25 148. As set forth above, Plaintiff did not owe money to Webcollex, LLC.

26 149. As such, Defendant did not accurately set forth the name of the entity that
27 actually owns the debt as required by 15 U.S.C. § 1692g(a)(2).
28

150. Defendant's statement that Webcollex, LLC was the name of the creditor to whom the alleged debt was owed, when Plaintiff did not owe any money to Webcollex, LLC, violates 15 U.S.C. § 1692g(a)(2).

151. For the foregoing reasons, Defendant violated 15 U.S.C. §§ 1692g, 1692g(a)(1) and 1692g(a)(2), and is liable to Plaintiff therefor.

FIFTH COUNT
Violation of 15 U.S.C. § 1692g(b)

152. Plaintiff repeats and realleges the foregoing paragraphs as if fully restated herein.

153. Under § 1692g(a) of the FDCPA, within five days of an initial communication with a consumer, a debt collector must provide a written notice, known as a “Validation Notice,” that contains relevant information about the alleged debt and how to dispute it.

154. Pursuant to the FDCPA § 1692g(a), the debt collector must:

Within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the consumer has paid the debt, send the consumer a written notice containing—

- (1) the amount of the debt;
- (2) the name of the creditor to whom the debt is owed;
- (3) a statement that unless the consumer, within thirty days after receipt of the notice, disputes the validity of the debt, or any portion thereof, the debt will be assumed to be valid by the debt collector;
- (4) a statement that if the consumer notifies the debt collector in writing within the thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector; and
- (5) a statement that, upon the consumer's written request within the thirty-day period, the debt collector will provide the consumer with

1 the name and address of the original creditor, if different from the
2 current creditor.

3 155. Pursuant to Regulation F of 12 CFR § 1006.34(b)(5) “Validation period
4 means the period starting on the date that a debt collector provides the validation
5 information required by paragraph (c) of this section and ending 30 days after the consumer
6 receives or is assumed to receive the validation information. For purposes of determining
7 the end of the validation period, the debt collector may assume that a consumer receives the
8 validation information on any date that is at least five days (excluding legal public holidays
9 identified in 5 U.S.C. 6103(a), Saturdays, and Sundays) after the debt collector provides it.
10

11 156. The letter states, in the relevant part, “**Call or write to us by 05/26/2022, to**
12 **dispute all or part of the debt.** If you do not, we will assume that our information is
13 correct.”
14

15 157. The letter provided Plaintiff a deadline of May 26, 2022, to dispute the alleged
16 debt, request validation, and/or request the name and address of the original creditor.
17

18 158. Upon information and belief, the deadline for Plaintiff to dispute the alleged
19 debt and/or request validation is not May 26, 2022, as the letter is undated.

20 159. Upon information and belief, the deadline for Plaintiff to dispute the alleged
21 debt and/or request validation is a later date as the letter is undated.
22

23 160. Plaintiff became confused as to his dispute and validation rights.

24 161. The letter provides a dispute and validation deadline that is contrary to the
25 Validation Notice of the FDCPA.

26 162. Pursuant to the 15 U.S.C. § 1692g(b), in the relevant part, “...Any collection
27 activities and communication during the 30-day period may not overshadow or be
28

1 inconsistent with the disclosure of the consumer's right to dispute the debt or request the
2 name and address of the original creditor."

3
4 163. By providing a validation deadline date of May 26, 2022, Defendant
5 overshadowed Plaintiff's rights.

6 164. By providing a validation deadline date of May 26, 2022, Defendant does not
7 provide Plaintiff the full thirty days.

8
9 165. By providing a validation deadline date of May 26, 2022, Defendant
10 shortened the requisite validation period.

11 166. Defendant's conduct of overshadowing Plaintiff's rights violates 15 U.S.C. §
12 1692g(b).

13
14 167. For the foregoing reasons, Defendant violated 15 U.S.C. § 1692g(b), and is
15 liable to Plaintiff therefor.

16
17 **SIXTH COUNT**
18 **Violation of Cal. Civ. Code § 1788.13(k)**

19 168. Plaintiff repeats and realleges the foregoing paragraphs as if fully restated
20 herein.

21 169. Cal. Civ. Code § 1788.13(k) prohibits debt collectors from the false
22 representation that the consumer debt has been, is about to be, or will be sold, assigned, or
23 referred to a debt collector for collection.

24
25 170. The letter stated, in the relevant part, that the alleged debt was sold to
26 Webcollex, LLC.

1 171. Defendant's representation that the debt was sold to Webcollex, LLC is a
2 legal conclusion.

3 172. Defendant does not review the underlying sale documents prior to sending
4 letters to consumers.
5

6 173. Defendant does not investigate whether Webcollex, LLC is in fact the current
7 creditor of the alleged debt.

8 174. Defendant does not investigate whether the transaction between the original
9 creditor and Webcollex, LLC was in fact a true sale.
10

11 175. Defendant's intentional or negligent conduct of falsely representing that
12 Webcollex, LLC is the current creditor of the debt, caused Plaintiff confusion, anxiety,
13 worry, and emotional distress, causing Plaintiff to spend time to retain counsel, causing him
14 loss of time, in violation of Cal. Civ. Code § 1788.13(k).
15

16 176. Defendant's false representation that the debt has been, is about to be, or will
17 be sold, assigned, or referred to a debt collector for collection, violates Cal. Civ. Code §
18 1788.13(k).
19

20 177. For the foregoing reasons, Defendant violated Cal. Civ. Code § 1788.13(k)
21 and is liable to Plaintiff therefor.

22 **CLASS ALLEGATIONS**

23 178. Plaintiff brings this action individually and as a class action on behalf of all
24 consumers similarly situated in the State of California.
25

26 179. Plaintiff seeks to certify two classes of:
27
28

1 i. All consumers where Defendant sent information
2 concerning the consumer's debt to a third-party vendor
3 without obtaining the prior consent of the consumer, which
4 disclosure was made on or after a date one year prior to the
filing of this action to the present.

5 ii. All consumers where Defendant sent a letter in an attempt
6 to collect a consumer debt whereby the letter was undated
7 and was the initial letter sent to the consumer, which letter
8 was sent on or after a date one year prior to the filing of this
action to the present.

9 180. This class action seeks a finding that Defendant's conduct violates the
10 FDCPA and asks that the Court award damages as authorized by 15 U.S.C. § 1692k.

11 181. The Class consists of more than thirty-five persons.

12 182. Plaintiff's claims are typical of the claims of the Class. Common questions
13 of law or fact raised by this action affect all members of the Class and predominate over
14 any individual issues. Common relief is therefore sought on behalf of all members of the
15 Class. A class action is superior to other available methods for the fair and efficient
16 adjudication of this controversy.
17

18 183. The prosecution of separate actions by individual members of the Class would
19 create a risk of inconsistent or varying adjudications with respect to the individual members
20 of the Class, and a risk that any adjudications with respect to individual members of the
21 Class would, as a practical matter, either be dispositive of the interests of other members of
22 the Class not party to the adjudication, or substantially impair or impede their ability to
23 protect their interests. Defendant has acted in a manner applicable to the Class as a whole
24 such that declaratory relief is warranted.
25
26
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1 184. Plaintiff will fairly and adequately protect and represent the interests of the
2 Class. The management of the class is not extraordinarily difficult, and the factual and legal
3 issues raised by this action will not require extended contact with the members of the Class,
4 because Defendant's conduct was perpetrated on all members of the Class and will be
5 established by common proof. Moreover, Plaintiff has retained counsel experienced in
6 actions brought under consumer protection laws.
7

8
9 **JURY DEMAND**

10 185. Plaintiff hereby demands a trial of this action by jury.

11 **PRAYER FOR RELIEF**

12 **WHEREFORE**, Plaintiff respectfully requests judgment be entered as follows:

- 13 a. Certifying this action as a class action; and
14 b. Appointing Plaintiff as Class Representative and Plaintiff's attorneys as
15 Class Counsel; and
16 c. Finding Defendant's actions violate the FDCPA and RFDCPA; and
17 d. Awarding damages to Plaintiff and the Class pursuant to 15 U.S.C. §
18 1692k; and
19 e. Awarding Plaintiff's attorneys' fees pursuant to 15 U.S.C. § 1692k,
20 calculated on a "lodestar" basis; and
21 f. Awarding damages to Plaintiff pursuant to Cal. Civ. Code § 1788.30(b);
22 and
23 g. Awarding Plaintiff's attorneys' fees pursuant to Cal. Civ. Code §
24 1788.30(c); and
25 h. Awarding Plaintiff punitive damages to be determined at trial, for the
26 sake of example and punishing defendant for its malicious conduct,
27 pursuant to Cal. Civ. Code § 3294; and
28 i. Awarding the costs of this action to Plaintiff; and
j. Awarding pre-judgment interest and post-judgment interest to Plaintiff;
all together with
k. Such other and further relief that the Court determines is just and proper.

1 DATED: April 5, 2023

2
3 By: /s/ Youssef H. Hammoud
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11
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13 *Salvador Diaz, individually and*
14 *on behalf of all others similarly situated*
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